

Appn. Number 09/625,017

(Levine, David)

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REMARKS**I. Claims 1 and 20 - 103 Rejection - Fleming '204 in view of Daniele EPO Appl. '074 and in further view of McConnell '295.****McConnell Measures the Use of All His Users (Jukeboxes), Not a Sample of Them As In the Invention**

Unlike the method of the invention defined in the claims, McConnell measures the use of *all* his users (jukeboxes) in order to develop his compulsory license split. See Figure 1, wherein no other non-measured jukeboxes are shown. Nowhere does McConnell say or show that there are other jukeboxes, or that his measured jukeboxes constitute only a sample of his total jukeboxes. Instead, "each jukebox" is the term repeatedly used. See the abstract, "A data collector, operatively attached to each jukebox...". Also see col. 1, lines 38-39: "Such a survey would require an excessive number of persons to visit each jukebox...".

Further, in McConnell's Background of the Invention, he discusses the motivation behind his invention. See col. 1, lines 27-47. Because measuring jukebox use required an "excessive number of persons to visit each jukebox periodically and to read visually the contents of the selection computer", McConnell's invention was intended to replace personal visits to each jukebox with automated data collectors on each jukebox communicating via modem with a central computer. The previous method did not involve sampling, as shown by McConnell's statement that the previous surveys required an "excessive number of persons", and as further shown by McConnell's statement "[s]ince the number of jukeboxes in operation is quite large, the employment of persons to obtain such data involves a considerable expense." See col. 1, lines 42-44.

And McConnell is not introducing sampling, either. Instead, his invention is all about replacing the previously-required personal visits to all the jukeboxes with an automated system. McConnell's invention is his automated equipment, and accordingly he goes into extensive detail surrounding the equipment's electronic componentry and operation. See Figs. 2 and 3. McConnell's mention that he intends "to provide a jukebox polling system helpful in providing statistics to be used in the determination of the proper distribution of funds received from jukebox licensing fees" (see col. 1, line 67 to col. 2, line 2) does not refer to sampling - rather, it refers to statistics on what songs are played at each jukebox and how often. See McConnell's Fig. 4, wherein he shows how song play statistics are collected.

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Moreover, even if there were other jukeboxes in McConnell, McConnell does not disclose that the compulsory license split from the measured jukeboxes would be used to divide the compulsory license payments from the other jukebox owners, as specifically defined in the claim. In addition, even if there were other jukeboxes in McConnell, the owners of those jukeboxes are not necessarily known by McConnell - he doesn't maintain a registry of them, as also specifically defined in the claim.

McConnell's Jukebox Owners Aren't Subscribing to a Defined Database, As In the Claimed Invention

The Office Action states (p. 5, line 6) that McConnell teaches dividing the collective subscription fees of the plurality of users". This is not correct. McConnell's jukebox owners aren't subscribing, as in the claimed invention. His jukebox owners do not pay subscription fees for access to a defined database. Instead, they pay a flat compulsory license payment to the Copyright Office - not for access to a defined database but instead for permission to play any recording. There is thus a significant difference between the subscription fees in the invention and the compulsory licenses in McConnell. This difference does not hinge entirely on the definitional difference between a subscription and a compulsory license, but rather also stems from what the payment gets you - access to a defined database vs. permission to play any recording.

Unsuggested Combination

Fleming, Daniele, and McConnell all lack any suggestion that Fleming's device could or should be modified in the manner suggested.

It is well accepted that in order for prior art references to be validly combined for use in a 35 U.S.C. 103 rejection, the *references themselves* must suggest that they be combined. As was stated in In re Sernaker, 217 U.S.P.Q. 1,6 (C.A.F.C 1983),

"Prior art references in combination do not make an invention obvious unless something in the prior art references would suggest the advantage to be derived from combining their teachings."

That the suggestion to combine the references must come from the references themselves was also forcefully stated in Orthopedic Equipment v. United States, 217 U.S.P.Q. 193, 199 (C.A.F.C. 1983):

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"It is wrong to use the patent in suit (here the patent application) as a guide through the maze of prior art references, combining the right references in the right way to achieve the result of the claims in suit (here the claims pending). Monday morning quarterbacking is quite improper when resolving the question of nonobviousness in a court of law (here the PTO)."

This was further stated in Uniroyal, Inc. v. Rudkin-Wiley Corp., 5 U.S.P.Q. 2d 1434 (C.A.F.C. 1988):

"Where prior-art references require selective combination by the court to render obvious a subsequent invention, there must be some reason for the combination other than the

hindsight gleaned from the invention itself. ... Something in the prior art must suggest the desirability and thus the obviousness of making the combination."

The following excerpts from the Manual of Patent Examining Procedure are also relevant:

MPEP 2141 states that "The references must be considered as a whole and must suggest the desirability and thus the obviousness of making the combination ... Hodosh vs. Block Drug Co. Inc., 786 F. 2d 1136, 1143 n.5, 229 USPQ 182, 187n.5 (Fed. Cir. 1986)".

MPEP 2143.01 states that "The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of making the combination. In re Mills, 916 F. 2d 680, 16 USPQ 2d 1430 (Fed. Cir. 1990)".

In the present case, there is no reason given in the Final Action to support the proposed combination, other than the mere statement "It would have been obvious ... to modify the method of Fleming and Daniele and divide the collective subscription fees of the plurality of users as taught by McConnell in order to properly distribute the collective funds received from licensing or subscription fees based upon a statistical sampling of usage." However, merely stating that a combination is obvious, and then stating the result, is not sufficient. The Final Action must support this contention with motivation evidence – a suggestion *by the prior art* of the desirability and thus the obviousness of making the combination. The Final Action does not do this, and is instead relying on the hindsight gleaned from Appellant's invention itself.

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Finally, since independent claim 1 defines patentably over the prior art, its dependent claims 2-15 also define patentably for the same reasons.

II. Claims 13 and 14 - 103 Rejection - Fleming '204 in view of Daniele EPO Appl. '074, in further view of McConnell '295, and in even further view of Logan '076.

Multiplicity of References

In addition to the patentability reasons given above, the fact that a large number of references - in this case four references - must be combined to meet these claims is evidence of unobviousness. After all, how obvious could a claim be if one must combine four pieces of prior art to meet it?

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Fleming, Daniele, McConnell, and Logan all lack any suggestion that Fleming's device could or should be modified in the manner suggested.

It is well accepted that in order for prior art references to be validly combined for use in a 35 U.S.C. 103 rejection, the *references themselves* must suggest that they be combined. As was stated in In re Sernaker, 217 U.S.P.Q. 1,6 (C.A.F.C 1983),

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In the present case, there is no reason given in the Final Action to support the proposed combination, other than the mere statement “It would have been obvious ... to modify the method of Fleming and Daniele and compute the royalty owner rights based on contractual based apportioning as taught by Logan et al in order to compensate the royalty owners based upon predetermined contracts.” However, merely stating that a combination is obvious, and then stating the result, is not sufficient. The Final Action must support this contention with motivation evidence – a suggestion *by the prior art* of the desirability and thus the obviousness of making the combination. The Final Action does not do this, and is instead relying on the hindsight gleaned from Appellant’s invention itself.

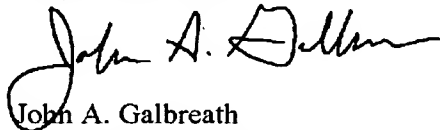
CONCLUSION

For all of the above reasons, Applicant submits that the claims all define patentably over the prior art, and respectfully requests that the rejections be withdrawn.

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Very respectfully,

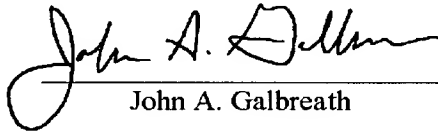


John A. Galbreath
Registered Practitioner #46,718

2516 Chestnut Woods Court
Reisterstown, MD 21136
Tel. (410) 666-7274

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John A. Galbreath